

FISCAL NOTE

HB 602 - SB 908

March 15, 2001

SUMMARY OF BILL:

- creates the New Economy and Technology Scholarship Program to be administered by the Tennessee Student Assistance Corporation (TSAC) for the purpose of encouraging Tennessee students to pursue careers in science and technology in the state. The program will consist of: (1) the SciTech Scholarship in the amount of \$3,000 per academic year and could be awarded for up to a total of three years unless the student is in an eligible 5-year program. An internship is required prior to completion of the degree; and (2) the GI Bill for the New Economy Scholarship in the amount of \$1,000 per academic year for students pursuing an associates degree or eligible training program at an approved Tennessee educational institution. The award is for two years unless the student is in a program of study requiring three academic years that is approved by TSAC.
- prohibits the granting of scholarship to persons enrolled in customized job training partnership programs or continuing education courses from a postsecondary educational institution for which an employer is paying over half of the cost and for which the person pays no tuition or fees.
- requires TSAC to adopt regulations to carry out the provisions of the program and to monitor students' progress. TSAC would be required to report annually to the Governor, the Department of Education, the House and Senate Education Committees and the Joint Education Oversight Committee.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$39,400 Recurring/TSAC
\$3,400 One-Time
Exceeds \$100,000/Scholarship Awards

Estimate assumes:

- at least one additional staff position would be required by TSAC to implement the new scholarship award program.
- the increase in state expenditures for the scholarship program would depend upon the number of eligible applicants who would receive each scholarship and the amount of each award. Such increase is estimated to exceed \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director